



ARIZONA HOUSE OF REPRESENTATIVES

Fifty-fifth Legislature
Second Regular Session

Senate: APPROP DPA 9-0-1-0 | 3rd Read 27-0-3-0

SB 1716: state hospital; governing board; governance

Sponsor: Senator Gowan, LD 14

Committee on Health & Human Services

Overview

Creates the Arizona State Hospital Governing Board (Governing Board) and transfers the powers, duties and responsibilities of the Arizona State Hospital (ASH) from the Department of Health Services (DHS) to the ASH Governing Board and ASH Director effective January 1, 2023.

History

[ASH](#), a division of DHS, is a 260-bed facility that provides long-term inpatient psychiatric treatment to individuals with mental illnesses, personality disorders or emotional conditions who are under a court order to receive treatment. ASH is divided into 3 separate facilities: 1) The Civil Hospital; 2) The Forensic Hospital; and 3) The Arizona Community Protection Center (ACPTC).

Patients receiving treatment at the Civil hospital have been court-ordered to receive involuntary treatment as a result of having been determined to be a danger to themselves or others, gravely disabled or persistently and acutely disabled. Patients receiving treatment at the Forensic Hospital are court-ordered for either pre-trial or post-trial treatment as a result of involvement with the criminal justice system due to a mental health issue. ACPTC supervises and treats persons classified as sexually violent persons ([A.R.S. Title 36, Chapter 2, Article 1](#)).

Provisions

Director of the Arizona State Hospital

1. Establishes the ASH Director. (Sec. 3)
2. Removes the role of the ASH Superintendent and assigns applicable duties and responsibilities to the ASH Director. (Sec. 3, 5, 6, 8, 9, 11)
3. Requires the ASH Director to be appointed by and under the supervision of the Governing Board. (Sec. 6)
4. Requires compensation to be paid to the ASH Director as determined by statute. (Sec. 6)
5. Allows the Governing Board to remove the ASH Director only for cause. (Sec. 6)
6. Applies the same qualifications as the ASH Superintendent to the ASH Director. (Sec. 6)
7. Specifies that the ASH Director must have hospital administrative experience in the private sector. (Sec. 6)
8. Requires the ASH Director with the Governing Board's approval to appoint a Chief Medical Officer. (Sec. 6)
9. Requires the Chief Medical Officer to report directly to the ASH Director. (Sec. 6)
10. Directs the ASH Director to provide to the Governing Board:
 - a) An estimate of the probable daily per capita costs of treating and maintaining each category of ASH patients for the next ensuing year in January of the following year;

- b) Clinical assessment of ASH programs upon request; and
 - c) ASH's funded capacity and allocation formula for the current fiscal year. (Sec. 8)
11. Transfers the authority to administer the ASH Fund from DHS to the ASH Director. (Sec. 11)
 12. Directs the ASH Director, rather than DHS, to deposit monies in the ASH Fund to the specified accounts. (Sec. 11)

ASH Governing Board

13. Creates the Governing Board. (Sec. 3)
14. Transfers the authorities, powers, duties and responsibilities of ASH from DHS to the Governing Board. (Sec. 4, 9, 10)
15. Requires the Board to consist of five Governor-appointed members with experience in hospital or health care administration. (Sec. 7)
16. Forbids more than three members of the same political party from serving on the Governing Board. (Sec. 7)
17. Specifies that Governing Board members serve five-year terms, expiring on the third Monday in January of the appropriate year. (Sec. 7)
18. Asserts that the Chairperson of the ASH Independent Oversight Committee will serve as a nonvoting member of the Governing Board and will not be counted for the purpose of determining quorum. (Sec. 7)
19. Allows a Governing Board member to be removed only for cause. (Sec. 7)
20. Stipulates that a Governing Board member that is removed for cause must be provided written notice and an opportunity to respond. (Sec. 7)
21. Permits the Governor to remove a Governing Board member based on written findings that specify the reason for removal. (Sec. 7)
22. Requires the Governing Board to administer the laws of Arizona relating to ASH. (Sec. 7)
23. States that Governing Board members are eligible to receive compensation for performing official duties. (Sec. 7)
24. Outlines the initial terms for Governing Board members as follows:
 - a) One term ending January 1, 2025;
 - b) Two terms ending January 1, 2026; and
 - c) Subsequent terms as prescribed by statute. (Sec. 12)

Miscellaneous

25. Stipulates that this legislation does not alter the effect of any action or impair the valid obligations of DHS relating to ASH that existed before January 1, 2023. (Sec. 13)
26. Asserts that DHS administrative rules and orders relating to ASH remain in effect until superseded by administrative action by the Governing Board. (Sec. 13)
27. Specifies that all administrative matters, contracts and judicial and quasi-judicial actions of DHS relating to ASH are transferred to the ASH Governing Board and retain the same status. (Sec. 13)
28. Implies that all ASH-issued certificates, licenses, registrations, permits and other indicia of qualifications and authorities relating to ASH retain their validity for the duration of their terms. (Sec. 13)

29. Transfers all ASH equipment, records, furnishings, data, investigative findings, obligations and appropriated monies that remain unexpended and unencumbered on January 1, 2023, to the Governing Board. (Sec. 13)
30. Transfers all personnel under the state personnel system and employed by DHS relating to ASH to comparable positions and pay classifications in the respective administrative units to the Governing Board on January 1, 2023. (Sec. 13)
31. Requires the Legislative Council Staff to prepare proposed conforming legislation to be considered by the Fifty-Sixth Legislature, First Regular Session. (Sec. 14)
32. Removes the following:
 - a) ASH from DHS's authority;
 - b) The role of the ASH Superintendent;
 - c) The DHS as it relates to ASH;
 - d) DHS's responsibility of submitting the financial statement of affairs for ASH; and
 - e) The ASH Superintendent's authority to supervise the nurse training school in connection with ASH. (Sec. 1, 2, 3 and 5)
33. Contains an effective date of January 1, 2023. (Sec. 15)
34. Makes technical changes and conforming changes. (Sec. 1, 2, 3, 5, 6, 8-10)

Prop 105 (45 votes) Prop 108 (40 votes) Emergency (40 votes) Fiscal Note